



U.S. Department of Commerce

HUMAN RESOURCES SUMMIT

“The Changing Faces of Human Resources for HR Professionals”

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Hosted by the
Office of the Secretary
Office of Human Resources Management



U.S. Department of Commerce

Performance Management

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Agenda

- Performance Management System at Commerce
 - Rationale for new 5-Level system
 - Evolution of New System
 - Comparison of Current and New System
 - New OPM Requirements and Impact on DOC
 - Next Steps

Rationale for New System

- Strategic Management of Human Capital is one of the 5 initiatives of the President's Management Agenda
- Office of Management and Budget (OMB) and Office of Personnel Management (OPM) "Green" standards for success require agencies to implement performance management systems' that:
 - Effectively differentiate between levels of performance
 - Link individual performance to organizational goals and objectives; and
 - Link awards to achievement of organizational goals and objectives

Background

- October 2004 – Director/OHRM briefed Chief Financial Officer Council that DOC will move to one multi-level rating system for all bureaus by October 2005. *(except those covered by the Demonstration Project and the Alternative Personnel Management System)*
- November 2004, Office of Human Resources Management (OHRM) convened a Department-wide working group tasked with developing a new performance management policy
 - Membership on the working group included a representative from each bureau (including management representatives). The group produced the following:
 - DAO 202-430, Performance Management
 - Performance Management Handbook
 - CD-430, Performance Management Record

Background (cont'd)

- Union Involvement
- DAO 202-430 and Performance Management Handbook issued October 13, 2005
- New system implemented in two phases:
 - Phase I (October 2005)
 - Bureau of Industry and Security
 - Economics and Statistics Administration
 - International Trade Administration
 - Minority Business Development Agency
 - National Institute of Standards and Technology
 - National Telecommunications and Information Administration
 - National Technical Information Service
 - Office of the Secretary
 - Phase II (October 2006)
 - Economic Development Administration
 - Bureau of the Census
 - National Oceanic and Atmospheric Administration
 - Office of Inspector General

Current Appraisal Systems

- There are 4 different appraisal systems at Commerce:
 - 5-Level
 - 2-Level (Pass/Fail)
 - Demonstration Project
 - Alternative Personnel Management System (*NIST only*)

New System vs. Current System

■ New System

- 5-level (5, 4, 3, 2, and 1)
- Appraisal Cycles (3)
- Minimum Appraisal Period (120)
- Plans developed within 60 days
- New form - CD-430
- Required elements - Leadership for Managers; Customer Service for all
- Minimum of 3, maximum of 5 elements
- All elements are critical
- Mandatory use of weights
- 1 Progress Review (Option for Others)

■ Current System

- 5-level and 2-level
- Appraisal Cycles (4)
- Minimum Appraisal Period (90 or 120)
- Plans developed within 30 days
- CD-516, includes classification process
- No required elements
- Minimum of 2 elements
- Permitted use of non-critical elements
- No weighting of elements under 2-level
- 1 or 2 (2-level) Progress Reviews

New System vs. Current System (cont'd)

■ New System

- Employees asked to submit written accomplishments
- No fractional scores or weights
- Generic Performance Standards to include Team/Group Leaders
- Summary Rating – Overall narrative
- Use of numbers for Summary levels
- Elements aligned with organizational goals
- Awards linked to accomplishment of organizational goals

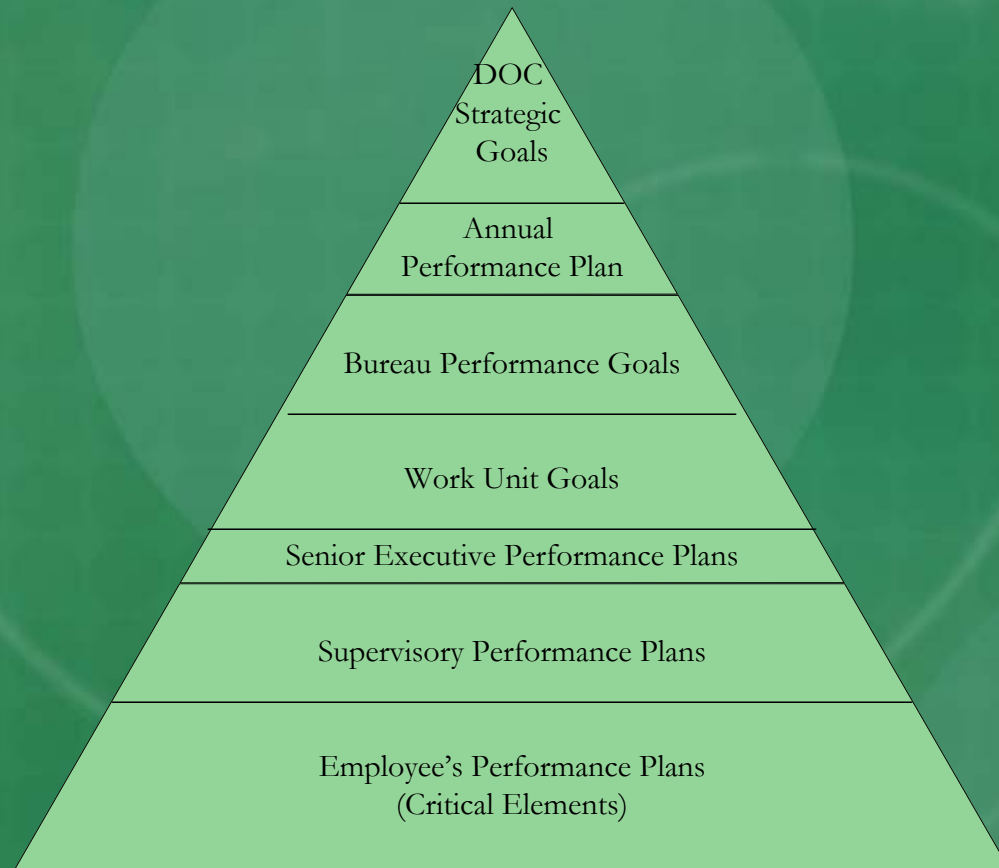
■ Current System

- No provision for submitting written accomplishments
- No fractional scores or weights
- Generic Performance Standards
- Summary Rating (2-level – no narrative comments for Meets or Exceeds Expectations)
- Adjective Summary Levels
- Elements not aligned with organizational goals
- Awards delinked from final rating (2-level)

Benefits of Performance Management

- Enhanced performance at bureau, program unit, office, and individual level
- Increased alignment between individual and organizational objectives to achieve results
- Improved communications between supervisors and employees
- Improved understanding of expectations required for success

Linking Performance Plans to Organizational Goals



New OPM Requirements

- Performance Appraisal Assessment Tool (PAAT)
 - Focuses on the infrastructure of the agency's performance culture
 - Assists agencies to evaluate their appraisal systems to identify strengths and weaknesses
 - Provides information needed to develop plans and strategies for developing a results-oriented performance culture which is critical to successfully achieving organizational goals and objectives
 - Develops baseline assessment through the use of Beta Site to evaluate the effectiveness of current agency policy and guidance
 - Office of the Secretary (OS) designated as Beta Site
 - Includes a scoring approach designed to provide quantifiable feedback on the design and implementation of DOC appraisal programs

Summary

- President's Management Agenda, OPM, and OMB driving change in performance management
- New performance management system developed by bureau working group
- Key difference between current and new system is requirement to link performance plans to organizational goal
- OPM's Performance Appraisal Assessment Tool (PAAT) will evaluate effectiveness of DOC's system
- All bureaus must comply with PAAT and any changes in policy/guidance by July 2007

What's on the Horizon

- Submit PAAT on Beta Site to OPM
- Modify DOC policy and guidance based on identified gaps
 - Bureaus to implement changes based on Beta Site review
- Unions to negotiate changes

Where to Get More Information



- The following documents are available on the OHRM website: <http://ohrm.os.doc.gov/Performance/index.html>
 - DAO 202-430, Performance Management
 - Performance Management Handbook
 - CD-430, Performance Management Record
 - Contact Information:

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Quiz

(Circle the correct answer)

- Currently, how many GS appraisal systems does the Department use?
 - A. 2
 - B. 3
 - C. 4
 - D. 5
- Which agency was designated as the Beta Site?
 - A. ESA
 - B. EDA
 - C. ITA
 - D. O/S
- Which of the following may be used to cascade organizational goals?
 - A. Department's Strategic Plan
 - B. Annual Performance Plan
 - C. SES Performance Plan
 - D. All of the above
- What are the adjectives used to describe highest and lowest levels of performance?
 - A. Outstanding and Unacceptable
 - B. Meets and Does Not Meet Expectations
 - C. No adjectives: Level 5 and Level 1
 - D. Eligible and Ineligible